

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION REVIEW COMMITTEE

October 1, 2009

Maricopa Association of Governments Office
302 North First Avenue, Suite 200, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Peoria: David Moody	Maricopa County: John Hauskins
ADOT: Steve Hull for Floyd Roehrich	Mesa: Brent Stoddard for Scott Butler
Avondale: Shirley Gunther for David Fitzhugh	Paradise Valley: Bill Mead
Buckeye: Jose Heredia for Scott Lowe	Phoenix: Ed Zuercher
Chandler: RJ Zeder for Patrice Kraus	Queen Creek: Wendy Kaserman
El Mirage: Lance Calvert	RPTA: Bryan Jungwirth
Fountain Hills: Randy Harrel	Scottsdale: Dave Meinhart
*Gila Bend: Rick Buss	Surprise: Bob Maki
*Gila River: Sreedevi Samudrala for Doug Torres	Tempe: Jyme Sue McLaren for Chris Salomone
Gilbert: Michelle Gramley for Tami Ryall	Valley Metro Rail: John Farry
Glendale: Terry Johnson	Wickenburg: Rick Austin
Goodyear: Cato Esquivel	Youngtown: Grant Anderson for Lloyce Robinson
Guadalupe: Gino Turrubiarres	
*Litchfield Park: Woody Scoutten for Mike Cartsonis	

EX-OFFICIO MEMBERS ATTENDING

*Regional Bicycle Task Force: Jim Hash, City of Mesa	Pedestrian Working Group: Brandon Forrey, City of Peoria
Street Committee: Darryl Crossman, City of Litchfield Park	*Transportation Safety Committee: Kerry Wilcoxon, City of Phoenix
*ITS Committee: John Abraham	
* Members neither present nor represented by proxy.	+ - Attended by Videoconference
	# - Attended by Audioconference

OTHERS PRESENT

Eric Anderson, MAG	Kwi-Sung Kang, ADOT	Thomas Relucio, Glendale
Alana Chavez, MAG	Dan Cook, Chandler	Paul Hodgins, RPTA
Alice Chen, MAG	Patrice Kraus, Chandler	Bob Antilla, RPTA
Maureen DeCindis, MAG	Jenna Goad, Glendale	Jim Creedon, L&C
Bob Hazlett, MAG	Romina Korkes, Goodyear	Robin Shishido, PTG
Roger Herzog, MAG	Andy Granger, Peoria	Alisa Lyons, Valley Partnership
Christina Hopes, MAG	Ed Stillings, FHWA	Karen Peters, Phoenix
Sarath Joshua, MAG	Ray Dovalina, Phoenix	Jorie Bresnahan, Phoenix
Nathan Pryor, MAG	Mike Sabitini, MCDOT	Larry Olsen, Parsons
Roger Roy, MAG	Clem Ligocki, MCDOT	Jeanne Sapon. Sundt
Ed Stillings, FHWA	Matt Busby, Apache Junction	

1. Call to Order

Chairman David Moody from the City of Peoria called the meeting to order at 10:02 a.m.

2. Approval of the Draft August 27, 2009 Minutes

Chairman Moody asked if there were any changes or amendments to the August 27, 2009 meeting minutes, and there were none. Mr. John Hauskins from Maricopa County moved to approve the minutes. Mr. Lance Calvert from City of El Mirage seconded the motion, and the minutes were subsequently approved by unanimous voice vote of the Committee.

3. Call to the Audience

Chairman Moody stated that he had not received any request to speak cards from the audience and moved onto the next item on the agenda.

4. Transportation Director's Report

Chairman Moody invited Mr. Eric Anderson from MAG to present the Transportation Director's Report. Mr. Anderson reported that the August Regional Area Road Fund (RARF) revenues had decreased by 13.6 percent compared to August 2008. He stated that RARF revenue collection had been down for 23 of the last 24 months. Mr. Anderson reported that year-to-date RARF revenues also were down 13.6 percent and stated that actual revenue collections were 4 percent below the revised forecast for Fiscal Year (FY) 2010.

Mr. Anderson reported on Highway User Revenue Fund (HURF) collections stating that HURF August revenues were down 10.6 percent. He noted a large reduction in motor carrier revenue collections and a small reduction in gas tax revenue collections. Mr. Anderson stated that although the ADOT FY 2010 estimate for HURF collection indicated no growth, actual HURF year-to-date revenues were down 7.2 percent.

Mr. Anderson announced that MAG would be undergoing the periodic planning certification, which included an audit of the MAG Planning Program. He stated that the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), the Environmental Protection Agency (EPA) and other agencies would be participating in the certification review. Mr. Anderson explained that as part of the certification, the participants would determine if MAG was conducting planning activities in accordance with federal mandates and suggest potential areas for refinement in the existing process.

Mr. Anderson reported that the MAG Federal Fund Working Group had met in August. He informed the Committee that MAG Staff would send Working Group participants a "Save the

Date” notice regarding an upcoming meeting. He explained that MAG Staff was preparing research on current practices, which was requested at the previous meeting and reported that MAG Staff would disseminate the information to participants prior to the meeting.

Next, Mr. Anderson announced that MAG Staff would present changes to the Freeway Life Cycle Program (FLCP) at the Transportation Policy Committee (TPC) and Regional Council meetings in October. He reminded the Committee of the TPC request in July to delay action on the FLCP for 90 days. He stated that MAG was seeking an approval on a reprioritization of the FLCP before conducting cash flow analysis. Mr. Anderson reported that changes to the FLCP would be included in the update to the Regional Transportation Plan (RTP) and the FY 2011-2015 MAG Transportation Improvement Program, which were currently under development. He informed the Committee that a public meeting on the proposed revisions to the FLCP would be held on October 13, 2009.

Continuing on, Mr. Anderson announced that federal fund applications were due on September 18, 2009. He reported that MAG Staff received 53 applications. He stated that applications were received for nine street projects, 12 paving of unpaved roads projects, 13 intelligent transportation systems (ITS) projects, three pedestrian and 16 bike and multi-use pathway projects. He reported that MAG was in the process of evaluating the applications stating that the modal technical committees would review the applications during the Fall.

Chairman Moody asked if there were any questions or comments about this agenda item. There were none, and this concluded the Transportation Director’s Report.

5. Approval of Consent Agenda

Addressing the next order of business, Chairman Moody directed the Committee’s attention to the consent agenda. He inquired if there were any questions or comments about the consent agenda items, which included #5a, the 2009 Annual Report on the Status of the Implementation of Proposition 400, and #5b, the Arterial Life Cycle Program Status Report from April to September 2009. There were none. Mr. Hauskins motioned to approve the consent agenda. Ms. Shirley Gunther from the City of Avondale seconded the motion, and the motion was approved by a unanimous voice vote of the Committee.

9. MAG Committee Operating Policies and Procedures

Chairman Moody announced that agenda item on the MAG Committee Operating Policies and Procedures would be heard before agenda item on the Project Changes to the MAG Transportation Improvement Program (TIP). He explained the presenter, Ms. Alana Chávez from MAG, had prior obligations that required her to present earlier in the meeting. Then, Chairman Moody invited Ms. Chávez to present on the MAG Committee Operating Policies and Procedures (Policies and Procedures).

Ms. Chávez announced that on July 22, 2009, the MAG Regional Council approved the revised policies and procedures for the organization, which clarified, and in some cases, modified, former MAG committee procedures. She explained that the updated document revised the

process of officer appointments, terms of office, vacancies, agenda development, quorum, weighted voting, and rules of order and motion procedures for committee meetings.

Ms. Chávez stated the Policies and Procedures required Chair and Vice Chair appointments to the Transportation Review Committee (TRC) would be made by the MAG Executive Committee. She reported that TRC officer appointments would be limited to one-year terms with a possible reappointment to serve an additional one-year term by consent of the committee. She explained that officer appointments could be held by MAG Member Agencies; however, consultants representing a member agency could not be appointed to an officer position unless the consultant served as a 100 percent contracted employee of that member agency.

Ms. Chávez explained that upon completion of the Chair's term, the Vice Chair would automatically ascend to the Chairman position. She stated that upon the ascension of the Vice Chair, a new Vice Chair would be appointed to the committee. Ms. Chávez informed the Committee that a memorandum had been included in the agenda packet soliciting letters of interest for consideration for the Vice Chair position. She explained that Chairman Moody was currently in his first term as Chair and as a result solicitations for the Chair position were not be requested at this time.

Ms. Chávez stated the deadline to submit letters of interest for the TRC Vice Chair position was November 6, 2009. She stated the appointments would be made by the MAG Executive Committee in November 2009. She added that the appointments would become effective as of January 2010 and last until January 2011.

Next, Ms. Chávez informed the Committee that an additional memorandum would be distributed to the TRC membership soliciting letters of interest in the Chair and Vice Chair positions for the Transportation Enhancements Committee. She reported that on June 23, 2008, the MAG Regional Council voted to require that the Chair of the Transportation Enhancements Committee be selected from the TRC membership. She added that the revised policies and procedures required the Vice Chair of the Transportation Enhancements Committee also be appointed from the TRC membership. She stated the deadline for letters of interest in those positions would also be November 6, 2009.

Chairman Moody asked if there were any questions or comments about the agenda item. There were none, and Chairman Moody proceeded to the next item on the agenda.

6. Project Changes – Amendments and Administrative Modifications to the FY 2008-2012 MAG Transportation Improvement Program

Chairman Moody invited Mr. Eric Anderson to present proposed project changes to the MAG FY 2008-2012 Transportation Improvement Program (TIP). Mr. Anderson directed the Committee's attention to a revised project change sheet at their places. He referenced two project changes listed in the handouts: SR 74 climbing lanes and the 101/Agua Fria project.

Mr. Anderson reported the cost of the SR 74 climbing lanes (\$2.3 million) was lower than the initial cost estimate of \$3.9 million. He also reported that the costs of the 101/Agua Fria

project (\$17.2 million) also was notably lower than the initial cost estimate of \$27.5 million. He stated that a portion of both projects were funded by the American Recovery and Reinvestment Act of 2009 (ARRA) and explained the revised bid amounts, which continued to be a trend for the region, contributed \$3.6 million to ARRA savings. He informed the Committee that the ARRA savings on the projects were from the highway allocation and would be reallocated to fund the next set of projects for the region.

Chairman Moody asked if there were any questions or comments about the agenda item, and there were none. Mr. Hauskins motioned to approve of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, and as appropriate, to the Regional Transportation Plan 2007 Update. Mr. David Meinhart from the City of Scottsdale seconded the motion, and the projects changes were approved by a unanimous voice vote of the Committee.

7. Update on the American Recovery and Reinvestment Act (ARRA) of 2009: Re-allocation of Unused Local/MPO ARRA Funds – Policy Options

Next, Chairman Moody invited Mr. Eric Anderson to provide an update on the American Recovery and Reinvestment Act of 2009 (ARRA) and to address the reallocation of unused local and regional ARRA funds. Mr. Anderson directed the Committee's attention to a status report on ARRA funded projects located at their places. He stated the report had been presented at the MAG Regional Council meeting the previous evening. He added that concerns about the accuracy of the status report had been raised after the report had been presented to the MAG Management Committee. Mr. Anderson stated that MAG Staff was coordinating with member agencies, the Arizona Department of Transportation (ADOT) and the Federal Highway Administration (FHWA) to address inaccuracies in the status report.

Mr. Anderson stated the purpose of the agenda item was to facilitate a discussion and elicit policy options on how MAG should reallocate bid savings or programmed ARRA funds that failed to obligate by the deadline established by the MAG Regional Council. Mr. Anderson reported that \$104.6 million in ARRA funds had been allocated to the MAG Region for use by the Metropolitan Planning Organization (MPO). He explained that the MAG Regional Council had suballocated the MPO funds to member agencies in accordance with a formula established through the MAG Committee process. He added that the Regional Council action stipulated the ARRA fund suballocation to member agencies must be obligated by November 30, 2009.

Mr. Anderson announced that MAG anticipated a substantial amount of ARRA funds would not obligate by the November deadline based on the bid experience of ADOT and some local agencies. He stated that MAG the amount of ARRA project savings was unknown at this time, but that the savings could be between \$10 and \$30 million.

Mr. Anderson reiterated the Regional Council deadline to obligate the local allocation of ARRA funds by November 30, 2009. He informed the Committee that if ARRA funds that did not obligate by the Regional Council deadline the funds would be reallocated to other regional projects, which would be able to obligate by the federally mandated deadline on March 2, 2010. Mr. Anderson informed the Committee that discussions had been conducted at the Transportation Policy Committee and the Regional Council regarding the November 30th

deadline. He stated it was MAG Staff's position that the November 30th date should be not be a hard deadline because projects may be through the clearance process and ready to obligate by the hard deadline, but would not obligate by the November deadline due to short-term administrative delays.

Mr. Anderson announced starting November 1st that FHWA and ADOT would begin conducting a thorough analysis of all local government projects statewide to provide a determination if projects would obligate by the March 2nd deadline. He stated that any funds that failed to obligate by the March deadline would be rescinded by FHWA for redistribution to other states. Mr. Anderson informed the Committee that if a project obligated by the March 2nd deadline and experienced project savings due to lower bids, then the project savings could be reallocated to another project. He added the project savings would need to be reobligated by September 30, 2010.

Mr. Anderson stated the key consideration in the reallocation of any ARRA funds would be project readiness and eligibility under the American Recovery and Reinvestment Act and Surface Transportation Program (STP) guidance. He emphasized that project readiness included the ability to obtain the necessary clearances and be substantially through design before the obligation deadline. Mr. Anderson explained that project readiness would be the biggest factor restricting the pool of potential projects to be programmed with ARRA funds. He added that self-certified agencies may be at an advantage over non-certified agencies because self-certified agencies could expedite the process internally whereas non-certified agencies would have to rely on the timeliness of the ADOT Local Governments Section.

Continuing on, Mr. Anderson presented policy options developed by MAG Staff to address any project savings and/or unobligated ARRA funds. He stated that Option 1 included (in order):

- Reallocating any unprogrammed or available suballocated ARRA funds to other eligible projects in the local jurisdiction; then,
- Redistributing any unprogrammed or available suballocated ARRA funds to the region for reallocation to other eligible local projects in the region.

Mr. Anderson stated that Option 2 would require returning all unprogrammed or available ARRA funds to the region for reallocation towards a pool of eligible projects in the region; whereas, Option 3 involved reallocated any unprogrammed or available funds to ADOT. He explained that under Option 3, ADOT would allocate the funds to highway projects. He stated that with Option 3, ADOT may be able to swap STP funds with ARRA funds, which would allow the ARRA funds to be obligated by March 2nd and give local agencies until September 2010 to obligate the STP funds. Mr. Anderson also presented Option 4, which would transfer any unprogrammed or available ARRA funds to transit projects. He explained that under the federal grant process at the Federal Transit Administration (FTA), when highway funds are programmed for transit projects and operations, the funds are obligated upon transference.

After presenting the options generated by MAG Staff, Mr. Anderson requested policy direction from the Committee. Chairman Moody stated that instead of requesting a motion on the agenda item at this time that the Committee should discuss the item to determine if additional options may be available. Chairman Moody inquired if there were any questions or policy suggestions from the Committee membership.

Mr. Grant Anderson from Town of Youngtown stated that an option should be included that ensured currently programmed projects were adequately funded. He stated that although the

bids on larger projects were coming in below the cost estimates that smaller jurisdictions were experiencing smaller projects with bids above the original cost estimates. He explained that current projects should be fully funded before programming new projects. A brief discussion followed.

Mr. Gino Turrubiarres from the Town of Guadalupe inquired if the available ARRA funds could be applied towards community development block grants (CDBG). Mr. Eric Anderson replied that the ARRA funds could only be applied to transportation projects that were eligible under the Surface Transportation Program (STP) guidance.

Mr. Lance Calvert from the City of El Mirage concurred with Mr. Grant Anderson stating that any project coming in over bid should be given priority when redistributing available ARRA funds. He added that all restrictions regarding the ARRA funds should be reviewed carefully citing a restriction that ARRA funded projects must be constructed by a specific date. Mr. Calvert reported that according to guidance from ADOT, ARRA funded projects would have to be completed within two to three years after obligation. Mr. Calvert also added that according to ADOT design work could be funded with ARRA; however, the project would still need to be constructed within the two to three years time frame.

Mr. Terry Johnson from the City of Glendale stated that although many larger construction projects were coming in below bid that pavement preservation and projects to purchase equipment were not coming in below bid. He informed the Committee of a new rule from FHWA that states local jurisdictions cannot purchase and install signal cabinets in-house. He stated the new rule required local agencies to hire a contractor to install the signal cabinets. He explained that because the new rule increased the cost of installation that the number of signals that could be purchased for the same amount decreased from 50 to 25. Mr. Johnson concurred with Mr. Grant Anderson that existing projects should be made whole before funding new projects with available ARRA funds. He also added that increasing the obligation authority for projects would also be helpful.

Mr. Rick Austin from Town of Wickenburg stated that the Town was near 100 percent plans for the Vulture Mine Road project. He stated that the project had been over engineered and inquired if funds could be reobligated to the project to cover the higher costs. Discussion followed regarding cost estimates and bid awards.

Ms. Wendy Kaserman from the Town of Creek expressed concerns about the November 30th deadline established by the Regional Council. She stated that the Town was in the process of obtaining all of the necessary clearances to obligate. However, due to administrative delays the project may not officially obligate until January. She suggested the November 30th deadline should be modified to prevent funding from being pulled from projects that were close to obligating and that would be obligated by the federally mandated deadline in March.

Mr. Eric Anderson stated that the November 30th deadline needed to be revisited by the MAG Regional Council. He stated that the deadline was initially intended to ensure that projects were on track to obligate by the March deadline; however, the motion that was actually passed by the Regional Council was a hard deadline.

Mr. Brandon Forrey, the ex-officio member from the Pedestrian Working Group, suggested the Committee consider allocating funds to any projects that needed additional funds because the initial cost estimate was below the bid amount. He stipulated that the shortfalls should be identified before the November deadline and added that any remaining funds should be allocated to transit. Mr. Hauskins replied that he concurred with notion of making projects whole with the caveat that scope creep should not be eligible. He added that of the four options presented by Mr. Eric Anderson he felt that Option 2 would provide the region with the most flexibility to program available funds.

Mr. RJ Zeder from the City of Chandler stated that he shared the concerns of Queen Creek regarding a hard deadline of November 30th and did not want to see local agencies lose ARRA funding because there were unable to obligate by then. He stated that an agreement needed to be reached, however, on a hard deadline for obligation as well as a listing of fall back projects to receive funds that could be obligated by the hard deadline.

Dr. Bob Maki from the City of Surprise inquired if ARRA funds could be used for designing projects that are currently programmed in the MAG TIP for work in fiscal years 2011 and 2012. Mr. Eric Anderson replied that if the project was constructed within two to three years, then using ARRA funds for design probably would be acceptable. He added that if a project used funds for design and did not complete construction within the established time frame, then the local agency would be required to repay FHWA for the ARRA funds used for design.

Mr. Brent Stoddard from the City of Mesa inquired if the \$10 to \$30 million estimated project savings included savings from transit and highway ARRA funded projects. Mr. Eric Anderson replied that estimate was based on the local suballocation for ARRA projects and did not include highways or transit. Mr. Stoddard inquired what firewalls were in place regarding the ARRA funds. Mr. Eric Anderson replied that local ARRA funds could be flexed to transit; however, he did not believe that highway ARRA funds could be flexed to local projects.

Mr. Stoddard agreed with the discussion that the November 30th deadline should not be a hard deadline. He recommended using the November 30th deadline as a preliminary deadline and establishing a hard deadline later. He added that MAG Staff would be in the best position to determine what the final hard deadline to obligate projects should be. He also expressed concerns about allocating available funds to over engineered projects stating the funds would be better allocated to eligible projects programmed with local funds.

Mr. Dave Meinhart from the City of Scottsdale asked Mr. Eric Anderson if he felt Option 1 or 2 would best to move funds expeditiously. Mr. Anderson replied that he felt Option 2 provided more flexibility. He stated that Option 1, while a good option, would still require the redistribution of some funds to region because not all jurisdictions would have eligible projects ready in time. Mr. Meinhart inquired if swapping ARRA funds with STP funds from ADOT would involve additional restrictions. Mr. Anderson replied the requirements would be the same as provided for under the current Surface Transportation Program guidance.

Then, Mr. Meinhart inquired what the cap was on operating expenses for transit projects. Mr. Eric Anderson replied he believed the amount was 10 percent of the transit ARRA allocation or approximately \$6.4 million. Mr. Meinhart stated the agencies with transit service were contending with substantial budget and service cuts due to the decline in revenues.

Mr. Ed Zuercher from the City of Phoenix echoed Mr. Meinhart's sentiments. He stated that by transferring ARRA funds to transit, the region could ensure that the funds would be obligated before the federally mandated deadline. He encouraged the Committee to consider implementing a combination of policy Option two and four, which would allocate funds to local projects as well as transit projects.

Continuing on, Mr. Ed Zuercher stated that a two-step deadline would be beneficial if the second deadline was early enough to allow for other projects to obligate before the federally mandated deadline. He also concurred with notion that scope creep should not be funded with available ARRA funds and suggested that a review be required before additional funds are allocated to current projects with bids exceeding the original cost estimates.

Chairman Moody posited applying project savings within a jurisdiction toward the local match requirements for federally funded projects within the same jurisdiction. He stated that by applying ARRA funds towards the local match requirement established in the Regional Transportation Plan (RTP) that the financial burden on local agencies would be reduced.

Mr. Bryan Jungwirth from RPTA addressed the transit funding. He stated that transit was facing a financial crisis with reduction in services from traditional service, rail, dial-a-ride, etc. Mr. Jungwirth stated he was a proponent of Option 4, but also concurred with Mr. Zuercher's suggestion that a policy be implemented that combined Options 2 and 4.

Mr. Jungwirth informed the Committee that three "pots" for transit operations were able to use ARRA funds: ADA service, operating expenses, and preventive maintenance. He explained that ADA service and operating expenses were subject to the 10 percent cap previously mentioned by Mr. Meinhart. Mr. Jungwirth added that there was a prohibition of transferring highway ARRA funds to transit for operating expenses; however, funding could be adjusted internally to allow for the funds to be used for transit without violating the federal requirements.

Discussion followed. After the discussion, Mr. Eric Anderson recapped the Committee's suggestions. He listed the Committee's suggestions, which included:

- Modifying the November 30th hard deadline to a milestone in the obligation and development process;
- Establishing a second deadline, probably in January, to serve as the hard deadline;
- Adding funds to existing projects with increased project costs, excluding the higher costs associated with scope creep and over engineering;
- Allowing ARRA funds to be applied toward local match requirements, with the condition that the local match requirements established in the RTP were not violated;
- Transferring ARRA funds to transit for operations up to the \$6.4 million cap, according to a formula that would ensure funds would be distributed throughout the MAG Region and to not a select number of local agencies;
- Redistributing any unprogrammed or available funds to other eligible local projects in the

- region that could obligate by March 2, 2010; and then,
- Transferring any remaining funds over to ADOT, if necessary.

Mr. Jungwirth interjected that transit was not capped at \$6.4 million. He clarified that certain “pots” were capped, but that additional funding could be allocated to other transit line items. Mr. Eric Anderson stated that having transit as a catch-all was beneficial to the region but expressed concerns about the time frame to obligate transit funds. He acknowledged that the transfer of funds to transit could be done quickly but cautioned that “quickly” in government terms may not correlate to prior to the federally mandated deadline.

Mr. Lance Calvert motioned to recommend that the policy option be implemented as recapped by Mr. Eric Anderson. Mr. Turrubiarres seconded the motion. Mr. Johnson requested the motion be restated. Mr. Eric Anderson repeated the motion as follows:

- Modifying the November 30th hard deadline to a milestone in the obligation and development process;
- Establishing a second deadline, probably in January, to serve as the hard deadline;
- Adding funds to existing projects with increased project costs, excluding the higher costs associated with scope creep and over engineering;
- Allowing ARRA funds to be applied toward local match requirements, with the condition that the local match requirements established in the RTP were not violated;
- Transferring ARRA funds to transit for operations up to the \$6.4 million cap, according to a formula that would ensure funds would be distributed throughout the MAG Region and to not a select number of local agencies;
- Redistributing any unprogrammed or available funds to other eligible local projects in the region that could obligate by March 2, 2010; and then,
- Transferring ARRA funds to transit for eligible expenditures that exceeded the \$6.4 million cap; and then,
- Transferring any remaining funds over to ADOT, if necessary.

Mr. Cato Esquivel from the Town of Goodyear inquired if the recommendation was ranked ordered. Mr. Calvert replied yes. Mr. Esquivel requested that local projects be a higher priority than transit. He also requested the motion include the hard deadline for obligation. The Committee discussed potential dates for the hard deadline.

Mr. Zuercher requested the maker of the motion to remove ADOT as a the catch-all for the remaining funds and suggested that transit serve as the catch-all for any unprogrammed or available funds that could not be programmed through the previous priorities listed in the motion. Mr. Grant Anderson stated that including ADOT as a catch-all was to ensure that all of the regional ARRA funds are obligated by the federally mandated deadline. He then concurred with Mr. Zuercher’s request that transit should serve as a catch-all, to the largest degree possible, before transferring funds to ADOT. A brief discussion followed. Mr. Calvert revised the motion as follows:

- Modifying the November 30th hard deadline to a milestone in the obligation and development process;
- Establishing a second deadline of January 31, 2010 to serve as the hard deadline;
- Adding funds to existing projects with increased project costs, excluding the higher costs associated with scope creep and over engineering;

- Allowing ARRA funds to be applied toward local match requirements, with the condition that the local match requirements established in the RTP were not violated;
- Transferring ARRA funds to transit for operations up to the \$6.4 million cap, according to a formula that would ensure funds would be distributed throughout the MAG Region and to not a select number of local agencies;
- Redistributing any unprogrammed or available funds to other eligible local projects in the region that could obligate by March 2, 2010; and then,
- Transferring ARRA funds to transit for eligible expenditures that exceeded the \$6.4 million cap; and then,
- Transferring any remaining funds over to ADOT, if necessary.

Mr. Turrubiarres seconded the amended motion. Mr. Esquivel requested that local projects be a higher priority than the 10 percent flex to transit. Discussion followed. Mr. John Farry from Valley Metro Rail requested that MAG Staff provide quantifiable information to aid with making the policy decision, if possible. Mr. Eric Anderson stated that MAG Staff could not provide quantifiable information at this time; however, staff might be able to by the October 29th meeting of the TRC.

Mr. Hauskins expressed concerns about establishing the hard deadline for January 31, 2010. He stated that the suggested deadline may be too late in the process. He encouraged the Committee to be flexible and allow MAG Staff to identify the hard deadline.

Mr. Steve Hull from ADOT encouraged the Committee to give local agencies the flexibility to fund transit or road projects before requiring local agencies to relinquish the funds to the region for reprogramming. Additional discussion ensued. Mr. Grant Anderson requested the maker of the motion amend the motion to remove the recommendation to approve the priorities and to request MAG Staff research the options discussed for presentation at the next Committee.

Mr. Lance Calvert requested clarification on the obligation date for new projects programmed with ARRA. Mr. Eric Anderson replied that newly programmed projects would be subject to the same federally mandated deadline as the other projects. Mr. Calvert then amended his motion as follows:

- Modifying the November 30th hard deadline to a milestone in the obligation process;
- Establishing a second deadline of January 31, 2010 to serve as the hard deadline;
- Allow local determination on the allocation of unspent funds to projects in their jurisdiction and allow the reallocation to make current projects whole, for local match (with the condition that the local match requirements established in the RTP are not violated), and/or transit;.
- Redistribute any unprogrammed or available funds to other eligible local projects in the region that could obligate by March 2, 2010;
- Transfer any remaining funds to transit; and,
- Transfer any remaining funds over to ADOT, if necessary.

Chairman Moody inquired if the member that seconded the motion, Mr. Turrubiarres, agreed with the amended motion. Mr. Turrubiarres stated he would like to withdraw he second from the amended motion. Chairman Moody inquired if there was a second to the amended motion, and Mr. RJ Zeder seconded the amended motion.

Mr. Hauskins reiterated his concerns about the January 31st hard deadline. He encouraged the Committee and maker of the motion to consider revising the stipulation on the hard deadline. Mr. Eric Anderson stated he was unsure what the hard deadline date should be at this time. He requested that the Committee to allow MAG to coordinate with FHWA and ADOT to determine what the exact date in January for the hard deadline.

Mr. Hauskins inquired if transit had received an allocation of ARRA funding from provisions in the Act. He also inquired if transit had programmed the initial allocation towards capital improvements and was requesting additional funding from the local/MPO suballocation to fund operation expenses. He suggested that transit projects should be a lower priority than other local projects given the amount of ARRA funds currently dedicated to transit.

Mr. Farry responded to Mr. Hauskins statement. He explained that federal guidance was changed after the initial ARRA funds had been programmed. He stated that the guidance was changed later to allow ARRA fund to be allocated towards operational expenses.

Chairman Moody requested that Mr. Calvert restate the motion for the record. According to Mr. Calvert, the current motion of the table was as follows:

- Modifying the November 30th hard deadline to a milestone in the obligation process;
- Establishing a second deadline in January to be determined by MAG as the hard deadline;
- Allowing local determination on unspent local ARRA funds(ie. making current projects whole, funding local match in accordance with the RTP limitation, and/or transit);
- Redistributing any unprogrammed or available funds to other eligible local projects in the region that could obligate by March 2, 2010;
- Transferring any remaining funds to transit; and,
- Transferring any remaining funds over to ADOT, if necessary.

Mr. Zeder stated he thought the motion did not establish a prioritized listing, but recommended that MAG Staff gather additional information including the amount of available funds for discussion at the October 29th meeting of the TRC. Mr. Calvert clarified that the motion was made with priority. Upon hearing the amended motion again, Mr. Zeder withdrew his second. Chairman Moody inquired if there was a second on the motion as clarified. There was no second, and Chairman Moody inquired if there was a new motion on the table.

Mr. Grant Anderson motioned to recommend that MAG Staff explore the options discussed for using the unprogrammed and available ARRA and that priorities for the uses be set next month based on further consideration. The uses to be explored by MAG Staff for further consideration included:

- Providing additional ARRA funds for existing ARRA projects, however, no increase in scope would be allowed;
- Reducing the local match, but not below the minimum set by MAG policy, for other federally funded projects that would obligate by the deadline;
- Funding other local projects in the regional that are eligible for ARRA funds that could obligate by the deadline; and then,
- Transferring any remaining funds to transit.

Mr. Bryan Jungwirth seconded the motion, and the motion was approved by a unanimous voice vote of the Committee.

8. MAG Fiscal Year 2010 Traffic Signal Optimization Program (TSOP) Project Recommendations

Chairman Moody invited Mr. Sarath Joshua, the MAG Intelligent Transportation Systems (ITS) and Safety Program Manager, to discuss the Fiscal Year (FY) 2010 Traffic Signal Optimization Program (TSOP) project recommendations. Mr. Joshua informed the Committee that the TSOP had been in place since 2003 to assist member agencies with traffic signal optimization. He stated that annually MAG funds between 10 to 12 projects through the program.

Mr. Joshua stated that a formal request for projects had been announced on July 17, 2009. He reported that twelve applications requesting \$284,000 in funding had been received by MAG Staff. He directed the Committee's attention to the attachment in the agenda packet, which included a rank ordered list of the projects. He explained the recommended projects would be conducted by MAG's ITS on-call consultants, which were currently under contract. He reported that the MAG ITS Committee recommended the rank ordered list of TSOP projects for approval at the September 2, 2009 Committee meeting. Mr. Joshua stated the item was on the TRC agenda for information, discussion and recommendation to approve the FY 2010 TSOP rank ordered list of projects as listed in the agenda attachment.

Chairman Moody asked if there were any questions or comments about the agenda item, and there were none. Mr. Hauskins motioned to approve the FY 2010 TSOP projects as presented. Mr. Cato Esquivel from the City of Goodyear seconded, and the motion was approved by a unanimous voice vote of the Committee.

10. Request for Future Agenda Items

Chairman Moody inquired if the members had any topics or issues of interest they would like to have considered for discussion at a future Committee meeting. There were none, and Chairman Moody moved onto the next agenda item.

11. Member Agency Update

Chairman Moody asked members of the Committee if they would like to provide updates, address any issues or concerns regarding transportation at the regional level, and asked if any members in attendance would like to address recent information that was relevant to transportation within their respective communities. There were none, and Chairman Moody moved to the next agenda item.

12. Next Meeting Date

Chairman Moody informed members in attendance that the next meeting of the Committee would be held on October 29, 2009. There be no further business, Chairman Moody adjourned the meeting at 11:58 a.m.